



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

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## **Denmark**

### **Market Promotion/ Competition**

### **Support to Danish Organic Production**

**1999**

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#### **Report Highlights:**

**The Danish Food Minister announced an \$30 million action plan to further support organic food production. The action plan will focus on strengthening Danish exports, improving product quality/taste and streamlining distribution.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Copenhagen [D11], DA

In order to ensure sales of organic foods produced in Denmark, The Minister of Food, Agriculture and Fisheries, Henrik Dam Kristensen, announced an action plan for organic foods. Although details of the plan are not yet available, the action plan will focus on:

- strengthening exports to neighboring countries, especially the United Kingdom, Germany, Sweden and the Netherlands;
- improving the quality of organic products; and
- centralizing distribution especially for the hotel and restaurant sector. (The current state of organic distribution requires users in this sector to shop for organic food at different small speciality outlets.)

The action plan calls for the Minister to establish organic distribution centers in different parts of the country which will enable sales and delivery of a wide range of organic food products in larger quantities.

Projects funded by the \$30 million action plan (market studies, new product development etc.) are intended to eventually become self financing.

Organic production has been increasing steadily in Denmark. In 1998, there were approximately 2,500 farms which were either producing organically or in the process of conversion; a two-fold increase since 1996. At present, approximately 3.6% of Danish agricultural area is farmed organically. This will increase further in 1999 as the number of organic producers is expected to increase by another 1,000 reaching a total of 3,500. The average Danish organic farm is 38.5 hectares, which is roughly equivalent to a conventional farm.

Major organic products produced in Denmark include dairy, meat, eggs, vegetables and grains. Approximately 20% of the milk produced in Denmark is organic.

The new support program is in addition to the already established government support scheme which covers half of the cost of research and development associated with new product development.